Iron Ore Mining by KIOCL in Western Ghats

1906. MISS MABEL REBELLO: Will the Minister of STEEL be pleased to state:

(a) why Kudremukh Iron Ore Company Limited (KIOCL) had started mining iron ore in the Western Ghats;

(b) whether it is a fact that area has low-grade iron ore deposits;

(c) if so, the reasons for the mining the deposits when the country has rich iron ore, almost above 60% in other parts of the country;

(d) how long iron ore mining would go on in Kudremukh area; and

(e) how much deposits would be taken out from that area?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) to (c) M/s Kudremukh Iron Ore Company Limited was established in April, 1976 in terms of an agreement between Govt. of India and Govt. of Iran, to mine iron ore deposits in the Kudremukh area of Western Ghats for the purpose of export of iron ore concentrates to National Iranian Steel Industries Company, Iran. The iron ore, mined from the deposits at Kudremukh has iron content of 37%-38%, which is beneficiated to produce iron ore concentrates of iron content 67-68%.

(d) and (e) The commercial production of Kudremukh Iron Ore concentrate commenced in October, 1981. The weathered Ore reserves, where currently mining is carried out, are estimated to last for another 5-6 years. The mineable Primary Ore reserves are estimated to sustain an additional mine life of about 15 years. In the present area of operations, geological reserves of 1174 million tonnes of Primary Ore comprising inferred reserves of 562 MT and indicative reserves of 612 MT are established. The theoretical mine reserves are 247 MT. Besides, there are other deposits in the vicinity with probable reserves of 4000 million tonnes.

Freight rate for steel

1907. SHRI BHAGATRAM MANHAR:
SHRI RAJU PARMAR:

Will the Minister of STEEL be pleased to state:

(a) whether freight rates for steel-making raw materials and finished steel in India is exorbitantly high, compared to other countries;

(b) if so, the details thereof;

(c) whether high freight rates of steel makes it uncompetitive; and

(d) if so, what measures Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) and (b) The factors which determine freight rates are the distance travelled, tonnage carried, type of goods (whether perishable or non perishable), frequency of use of the freight carrier etc. The weightage given for different factors is not uniform in all the countries. Therefore, a comparison of freight rates of different countries may not yield a correct picture.

(c) and (d) The market price of steel is determined by several factors such as cost of raw materials, power tariff, fuel charges, workers' pay, cost of funds, freight rates etc. These factors are dynamic and are determined by the interplay of market forces. No single factor can, therefore, be held responsible for the prevailing prices of steel or its upward/ downward trends.

Setting up of a SAI Centre in M.P.

†1908. SHRI BALKAVI BAIRAGI: Will the Minister of YOUTH AFFAIRS AND SPORTS be pleased to state:

(a) whether it is a fact that 100 acres of land had been transferred to the Sports Authority of India about a year ago, by the Madhya Pradesh Government, to set up a centre of central region of Sports Authority of India, in Bhopal;

(b) whether it is also a fact that the State Government has made a provision of Rs. 1.00 crore in Budget of current financial year; and

(c) if so, the reasons for the very slow progress of setting up of the above centre?

THE MINISTER OF CIVIL AVIATION (SYED SHAHNAWAZ HUSSAIN): (a) Yes, Sir.

†Original notice of the question was received in Hindi.